

Ed Buelow, Jr., *Chairman*
and *Commissioner of Revenue*

Lisa W. Hall, *CPA*
Associate Commissioner

Russell E. Hawkins, *CPA*
Associate Commissioner



MISSISSIPPI

STATE TAX COMMISSION

Sales Tax Division
Post Office Box 1033
Jackson, Mississippi 39215
Telephone: 601-923-7015
Fax: 601-923-7034

Notice 99-5

June 14, 1999

NOTICE TO ALL TAXPAYERS SUBJECT TO THE
TUNICA COUNTY TOURISM TAX

House Bill 1691, as passed during the 1996 Regular Session of the Mississippi Legislature, authorizes a special tax to be levied on the gross income of certain businesses located in Tunica County, Mississippi. The levy was originally adopted, by resolution, by the Tunica County Board of Supervisors effective October 1, 1996. The special tax was levied at the rate of two percent (2%) on the gross proceeds derived from hotel and motel overnight room rentals, and one percent (1%) of the gross proceeds of sales of prepared food and alcoholic beverages.

House Bill 1559, as passed during the 1999 Regular Session of the Mississippi Legislature, authorized the county to increase the special levy. **This bill provides for an increase in the levy to 3% for hotels, motels and restaurants. The effective date of this imposition shall be July 1, 1999.**

This special tax is levied on the gross proceeds of hotels and motels from room rentals, excluding charges for food, beverage, telephone, laundry and other similar charges and does not include nontaxable rooms, complimentary rooms, or room rentals for day meetings that do not serve as overnight accommodations. The tax also applies to the gross proceeds of restaurants and bars derived from the retail sales of prepared food or alcoholic beverages (including beer and light wine) or both, and does not apply to complimentary sales of food or beverage.

Form 72-205 (Special Tax Return) should be used to report and remit these special taxes. You should receive your annual supply of returns in August of this year. **DO NOT INCLUDE THESE SPECIAL TAXES ON YOUR STATE SALES TAX RETURN.** This special levy is effective July 1, 1999.

Mississippi State Tax Commission

A handwritten signature in cursive script that reads "Meg Tucker".

Meg Tucker, Director
Sales & Use Tax Bureau